

STATEWIDE WATER ADVISORY GROUP MEETING SUMMARY

Meeting Number 4, June 16, 2006, 10:00 AM to 2:00 PM

I. Introductions and review of June 2 meeting

Tom Carr opened the meeting and reminded the members to please let the Department know if they are not receiving any of the meeting summaries or other handouts. He then let the members know the questionnaire had been sent out by email and requested each of the members to please submit their response back to the Department by Wednesday, June 21. The results from the questionnaire will assist the Department in setting up the work groups and also assist with determining the availability of the members for additional meetings. Tom then reminded the members that all of the presentations and meeting summaries are on the web.

Herb Dishlip let the members know that the reason for reassigning the members to a different seat for each meeting was to hopefully encourage the members to get acquainted with as many of the members as possible.

II. Presentation on Regional Planning Efforts

-Round Valley/St. Johns -

Michael Brown from Apache County and Kay Dyson from the Town of Springerville made the first presentation on the water issues of Round Valley, St. Johns and the Upper Little Colorado River Watershed. See copy of the presentation on the website.

After the presentation there were several questions asked:

Herb Dishlip asked whether or not their area has been experiencing any municipal shortages as a result of the drought.

Kay Dyson responded they have not really experienced any shortages thus far. The Town has gone to alternate day watering restrictions. The Town has 7 wells and they appear to be holding their own, but a few of them occasionally suck some air. Because there was virtually no winter this last year, they had to turn off their irrigation for farming this year, which usually doesn't happen until after June.

J.R. Despain from Navajo County stated they have seen the quality of water going down in their area over the last 10 years even though the quantity doesn't appear to have been impacted. This has been especially noticeable in the Joseph City area. J.R. then noted they have made up wanted posters with a picture of a Tamarisk on the poster. He stated that one of the problems he is aware of is that most people think that the water problems are confined to the forested areas only and forget about the rest of the watershed.

-Mohave County -

Kris Ballard from Mohave County made a presentation on the water issues of Mohave County. See copy of the presentation on the website.

After the presentation there were several questions asked:

Bob Strain from Sierra Vista noted that Kris had indicated in her presentation that water use tended to increase when it was converted from rural to urban. He stated they were seeing quite the opposite down in their area and was wondering what led them to believe that water use was going up with the change from rural to urban.

Kris Ballard responded that most rural homes in the county are on 1-5 acres with very little if any turf or other outdoor water uses and in many cases haul water. Water haulers always use less water due to the inconvenience and cost of hauling water. When you convert a rural home on 1-5 acres to a 4-20 home subdivision, they new homes typically come with numerous outdoor landscaping features, pools, and a water system (no water hauling). The outdoor water use associated with the subdivisions is the reason for the increase in water use. She also noted, however, that with greater density zoning, they typically see less water use per person because the smaller lots have less turf and generally aren't large enough to accommodate a pool.

Bob Strain then noted that he suspects there are data gaps on actual usage by exempt wells. He then asked what was the authority to form the Mohave County Water Authority.

Herb Dishlip informed everyone that a presentation by Mohave County Water Authority was scheduled for later in the meeting that could probably address Bob Strain's question.

Herb Guenther asked how the County would handle a situation where the Department determined a subdivision to have an inadequate water supply to a depth of 1200 feet and a private consultant determined there to be an adequate water supply down to a depth of 2500 feet.

Kris Ballard stated they haven't had to deal with that question yet, but if a consultant was to bring in information that was contradictory to the Department's or used different parameters than the Department's, the County would want the information to be peer reviewed. Ultimately it would be up to the Board of Supervisors to make a decision on what to do. Kris stated that one of their frustrations with hydrology studies is that they seem to be more art than science.

Richard Underwood from the Southern Arizona Home Builders asked if there was any sort of mechanisms for county government to establish an impound fee for all new lots to fund regional studies.

Kris Ballard responded that she did not know.

David Snider from Pinal County then stated that the establishment and usage of impact fees are confined to a defined area of benefit and unless the county is in the water business you can't initiate an impact fee.

Richard Underwood stated in other words, if you aren't there already, you can't get there.

John Munderloh from the Town of Prescott Valley stated that he had read something where the ACC was considering not granting a CCN to a private water company unless they could demonstrate they had an adequate water supply. Is that true?

Kris Ballard responded that the ACC is withholding a CCN for Perkins Mountain Water Company, which is owned by Rhodes Development until they show they have an adequate water supply. What the

ACC is looking for is not quite known. Rhodes has several proposed developments in Mohave County and ADWR has issued a Physical Availability Determination for 9000 acre-feet for the Golden Valley South development. For the White Hills development ADWR has requested additional information. Whether the ACC is looking for an adequate water supply for all of the developments or just one is unsure.

Herb Guenther stated that the Department is aware there are ways around the issue, but the fact still remains that all adequate water supplies are mining water for 100 years. The Department is comfortable with ACC's decision.

Herb Dishlip reminded the group that Arizona is a very big State, that is very diverse and this issue is just one of many problems.

-The Nature Conservancy -

Pat Graham from The Nature Conservancy made a presentation on the water issues The Nature Conservancy is involved with. See copy of the presentation on the website.

After the presentation there were several questions asked:

Richard Underwood from the Southern Arizona Home Builders Association asked if there was a mechanism to partner with developers to help mitigate damage to sensitive areas, such as recharge zones. Is anything currently being done?

Pat Graham stated that Pat Call could probably address that question a little better.

Pat Call responded that significant efforts are being made to reuse water. When a private water company is involved it is much more difficult. In Benson where the City is the water provider, the City works with the developers. The developers drill the wells for the new subdivisions and then turn them over to the City. The City has a fairly good reuse program already in place and it appears to be doing a pretty good job. In the last 4 years Benson has probably had 2 building permits for new homes. This year they will have 500 and that is expected to double next year and then double again the year after.

Tom Carr stated that The Nature Conservancy (TNC) is unique in that it owns land. How is TNC working with local governments and counties to protect those lands and water rights?

Pat Graham responded that most lands owned by TNC are upstream of a lot of development or near the headwaters of a stream. On Sonoita Creek TNC is working with government agencies to determine how best to manage and exercise its water rights. TNC has been successful at implementing watershed management and conservation practices and has entered into agreements with the BLM on the Muleshoe Ranch to reintroduce fire to restore grasslands. TNC is doing the same with the Forest Service. TNC is working with the Upper San Pedro Partnership, has stewardship programs in the White Mountains, and is working with the Prescott National Forest. Many of TNC's activities extend beyond the properties owned by the TNC.

Carol Klopatek from the Ft. McDowell Yavapai Tribe asked what would happen if all the red areas identified in the map in the presentation came to fruition? What will be the impact?

Pat Graham stated that each area is under a different jurisdiction. Working with some depends on the offsets and regulations. There will be impacts. The question is how much. TNC has been working with BHP and it has been hard to quantify the impacts. If there aren't sufficient offsets and regulations there could be significant impacts. Lots splits and private wells will also result in impacts.

Bob Strain from Sierra Vista stated the map shown in the presentation was created by Don Poole from the USGS and is referred to as the tie die map. This map has resulted in a change in our thinking in our area as to how we address planning and management. We are looking at greater recharge of effluent and encouraging pumping further away from the river. The TNC has been the voice of reason working with the USPP.

Steve Olson from AMWUA asked in looking at the tie die map what tools does TNC have to address impacts from development, especially on State Trust lands.

Pat Graham responded State Land is a relatively small subset of the entire river, which starts in Mexico. The developments north of Huachuca City aren't captured in this map, which underscores the value of good data. Good information makes a difference in how you make your decisions.

III. Water Authorities/District Presentations

-Pinal County Water Augmentation Authority -

David Snider from the Pinal County Water Augmentation Authority made a presentation on the Authority. See copy of the presentation on the website.

After the presentation there were several questions asked:

Herb Dishlip asked if the Authority had to negotiate what was in their authorizing legislation or did the Authority get everything it asked for?

David Snider responded that because there had already been two other pieces of legislation authorizing the creation of authorities, there was already some support for the legislation. ADWR was also very helpful in assisting the Authority with determining what they needed. There were some negotiations and we did use the 2 other examples of authorities in Phoenix and Tucson to help guide us. David said he was not sure why the first Mohave legislation effort failed.

Bob Strain from Sierra Vista asked if they could have established the Authority if there hadn't already been an AMA?

David Snider replied that the AMA was very helpful because the boundaries had already been established and there was already support as a result of the AMA.

Steve Olson from AMWUA asked what the role of the private water company was in the Authority.

David Snider responded that the private water company is a very important part of the Authority. Arizona Water Company is the only private water company in the area with a CAP contract. They were very supportive of the Authority and expressed a desire to participate in the in-lieu storage program.

However, the ACC prevented Arizona Water Company from participating, because the ACC formula recognized that Arizona Water had already paid for the CAP water. ACC would not allow Arizona Water to put the additional costs into their rate base. Despite their inability to participate in the program they are still supportive of the Authority. As for the Irrigation districts, they pay their normal costs and the Authority makes up the difference.

-Santa Cruz Valley Water District -

Sharon Megdal from the Water Resources Research Center and former Executive Director of the Santa Cruz Valley Water District made a presentation on the District. See copy of the presentation on the website.

After the presentation there were several questions asked:

Dennis Rule from Tucson Water stated that he was one of the City's representatives on the District's Board and during the 30 months in which the District was alive the City had 3 City managers. Two managers were very strong and one was right in the middle and offered no direction to the City's representatives. Dennis added that one of the fundamental problems was the District was created as a temporary organization to solve a number of hard issues and was established during a time when the City was experiencing a great deal of turmoil regarding the use of CAP water in Tucson. This was a recipe for disaster and ultimate failure. To make matters worse most issues of concern were not worked out prior to the passage of the legislation. With 60 percent of the tax base located in Tucson, the issues of concern were taxation, representation, governance, who pays, who benefits and the subject of the ad valorem tax didn't come up until late in the 30 month period and was never fully vetted. Dennis stated the Council never fully understood the issues and as such were forced to vote no for the District.

Herb Guenther asked who the swing vote was for the City of Tucson.

Sharon Megdal responded that Bruce Wheeler was the swing vote.

No other questions were asked so Sharon took the opportunity to remind the members of the upcoming conference at the Hyatt Regency in Phoenix.

-Mohave County Water Authority -

Tom Griffin from the Mohave County Water Authority made a presentation on the Water Augmentation Authority. See a copy of the Authority's fact sheet on the website.

After the presentation no questions were asked:

IV. Organization Discussion and Schedule Next Meeting

Herb Dishlip stated that one of the purposes for the presentations is to serve as a moral booster. It demonstrates that things can be done, but there are always pitfalls to overcome. When you look at financing large infrastructure projects or your next source of supply it can look rather daunting, but it can be done.

Herb Dishlip reminded the members that the next meeting is scheduled for July 7. The agenda for the next meeting includes presentations from the States of California, Utah and Colorado. All three States have a method for funding projects and so each State is being asked to explain how their State funds large and small projects. The intent is to provide some insight into the bigger picture and how Arizona might develop some sort of funding assistance program as well. After the presentations there will be a discussion on organizing the next phase of this effort. Herb stated the questionnaire that had been emailed to each member should be returned no later than Wednesday, June 21. The discussion on the organization will focus on the three topic areas and the logistics of holding meetings for each working group. Herb indicated that we would like the work groups to make some progress in a very short period of time with the intent of moving from the identified problems to the identification of solution elements. Herb stated that he hoped it would take no more than 2-3 work group meetings to develop real solutions, but that might be optimistic.

Bill Garfield stated that with three working groups would it be possible to have all three meetings on the same day.

Herb Dishlip responded yes.

Herb Guenther called to the public and there was no response so the meeting was adjourned.